

THE DOLLAR STORE BOOM

Discount stores thrive throughout rural communities

In early February, a quiet but prominent company made an announcement: 1,000 new stores were to open throughout the remainder of 2017, surpassing the 900 it opened last year. One of those stores opened this summer in Creswell, another in Oakridge, although neither one is a town booming with wealth.

Dollar General sells a variety of food, snacks, health and beauty aids, cleaning supplies, basic apparel, housewares and seasonal items, all at strikingly low prices in its 14,321 stores in 44 U.S. states, according to its publicity department.

Dollar General's greatest competitor, Dollar Tree — which purchased the third largest chain, Family Dollar, in 2015 — also sells a large variety of household items, including snacks, health and beauty products, stationery and useful household items, cleaning supplies and countless knick-knacks and toys.

Dollar stores are thriving due to their presence in lower-income rural communities.

"The more the rural U.S. struggles," Dollar General company officials said in a press release, "the more places Dollar General has found to prosper."

A GROWING PRESENCE

According to its most recent annual report, Dollar Tree operated 14,108 stores in the U.S. as of March this year. Everything sold at Dollar Tree is priced \$1 or less.

Eugene has no Dollar General, but there are 22 within the surrounding 100 miles in cities such as Creswell, Sweet Home, Drain, Sutherlin and Mill City.

Dollar Tree on the other hand, which seems to have more locations than Dollar General, has three locations in Eugene alone, five including Springfield and Junction City, and 50 altogether within the surrounding 100 miles, according to its store locator.

All Dollar Trees accept EBT cards — aka Electronic Benefit Transfer cards. In Oregon EBT cards are known as Oregon Trail cards and Oregon Trail Cards are used mostly for food benefits from the Supplemental Nutrition Assis-



ONE OF CRESWELL'S DOLLAR STORES

PHOTO BY BOB KEEFER

tance Program (SNAP), aka food stamps. They also are used for cash benefits through the Temporary Assistance for Needy Families (TANF) program.

Both dollar stores share obvious goals: providing low-priced items for everyday use. On my occasional visits to a local dollar, I've quickly grabbed wrapping for a gift, dish soap for my kitchen or any assortment of necessary supplies that stand out in the stores brightly lit aisles.

For easy-stop shopping locations, the number of Dollar Generals and Dollar Trees in the U.S. significantly outnumber all CVS, Walgreens and Rite Aid stores combined.

The presence of dollar stores around the U.S. is soaring.

A RURAL FOCUS

Dollar General's black-and-yellow trademark and Dollar Tree's green-and-white logo are making their mark as they spread throughout the country's rural areas — often making way into towns where other major grocery stores and outlets have failed.

In 2011, Walmart began a new program: 102 Walmart Express stores opened around the U.S. to primarily offer even lower-priced goods in rural communities.

The company's venture to combat dollar stores lasted less than five years. In January 2016, Walmart announced plans to close 269 stores worldwide, including all 102 Express stores.

"While we have learned a lot from this pilot, including a deeper understanding of the everyday needs of our customers, we have decided not to proceed with this offering," Walmart president and chief executive officer Doug

McMillon said of the closing on a company blog.

Less than six months after the announcement, Dollar General purchased 41 of Walmart's closed Express stores, announcing that, while many large retailers are closing outlets, it planned to continue building more stores.

"The economy is continuing to create more of our core customer," chief executive Todd Vasos told *The Wall Street Journal* in a Dec. 5 article.

Despite their low prices, profits at both stores are going through the roof. Dollar General marked \$22 billion in sales in the 2016 fiscal year, marking their 27th consecutive year of sales growth.

Elizabeth Racine, a public health professor at the University of North Carolina at Charlotte, has closely studied dollar store chains. Her research included an analysis of the food sold in 90 different stores.

"I could quickly tell there are a lot of dollar stores in rural areas. Clearly they operate in low income areas," Racine tells me. "Often, even if a lower-income community can get the money to start up a real grocery store, it isn't successful."

Oakridge, site of Dollar General #17448, has 29.7 percent of individuals below the poverty level.

Dollar General representative Crystal Ghassemi says that the company strives to give its customers more than everyday low prices on merchandise as part of its mission of serving others — and it's clear that the company has found the right communities to serve.

"Dollar stores have found a business model that works and are implementing it in the right places," Racine says.

SLANT

- It's cold outside and **the volunteers of the Egan Warming Center have been going nonstop** trying to keep the unhoused in our community warm. Consider donating or volunteering to this valuable service. Here at EW we get reports the University of Oregon students can't afford to buy food, Lane Community College students who are homeless (LCC has an Egan Center to help with that), veterans who are still on the street and families who don't have homes for Christmas. This community has made huge strides in caring for those in need, but places like Egan still mark a thin line between survival and freezing to death on Eugene's streets as the center's namesake, Major Thomas Egan, did in 2008. To donate or volunteer go to eganwarmingcenter.com.

- We left the City Club of Eugene meeting Dec. 8 even more convinced that **Measure 101 should pass** in the special election on Jan. 23. Measure 101 is a fee on hospitals and insurance companies that funds Medicaid, which provides health care coverage to 1 in 4 Oregonians. More than 120 organizations and experts including nurses, doctors, firefighters, teachers, local hospitals and patient advocates across Oregon support it. Rep. Cedric Hayden (R-Roseburg) couldn't make the case against it and Rep. Dan Rayfield (D-Corvallis) made the case for it. Opponents are using the phony "sales tax" propaganda that Oregonians easily fall for. Not a sales tax, it is a provider tax paid by hospitals and insurance companies.

- Making us proud to be Oregonians: **Two of the six U. S. senators calling for Donald Trump to resign** as of Dec. 12 are Jeff Merkley and Ron Wyden. The others are Mazie Hirono (D-HI), Cory Booker (D-NJ), Bernie Sanders (I-VT) and Kirsten Gillibrand (D-NY). Not that they will force him to resign right now, but it's a significant step along the way.

- Ho! Ho? No. Local tree merchants confirm a **shortage of Christmas trees this year**. The reasons? One tells us that the younger generation of tree growers would rather grow grapes. An NPR report confirms this and also adds that marijuana is becoming a preferred crop. The final reason? The Recession. Starting about 10 years ago, growers planted fewer trees because people were buying fewer trees. Trees grow about a foot a year, the public radio story points out, so if you want an eight-foot Christmas tree and fewer trees were planted eight years ago — well, you do the math.

- **Mr. Jones goes to Washington:** In a stunning defeat of Trumpism and a vote for basic decency, Alabamans said "no" to Roy Moore, the alleged child-molester and Bible-thumping theocrat the GOP supported for the Senate. Instead they chose Doug Jones, the first Democrat to win statewide office there in more than two decades. Though Jones' margin was small — just 1.5 percent — that's a huge shift from the 28-percent margin that gave the state to Trump just last year. Thanks, Alabama! And thanks to black women in particular — 98 percent of black women who voted went for Jones.